

EXHIBIT A

UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

In re:)	
)	Chapter 11
SEPCO CORPORATION,)	
)	Case No. 16-50058
Debtor. ¹)	
)	Judge Alan M. Koschik
)	

**ORDER GRANTING THE
DEBTOR’S MOTION FOR AN ORDER ESTABLISHING
QUALIFIED SETTLEMENT FUND PURSUANT TO IRC § 468B**

This matter came before the Court upon the Motion (the “**Motion**”) of Sepco Corporation, the above-captioned debtor and debtor-in-possession (the “**Debtor**”), for entry of an order establishing a qualified settlement fund pursuant to § 468B of the Internal Revenue Code, 26 U.S.C. §§ 1 et seq. (the “**IRC**”), and the regulations promulgated thereunder (the “**Treasury Regulations**”); and it appearing that the Court has jurisdiction over this matter and the relief requested in the Motion pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) as to which the Court has the statutory and constitutional power to enter a final order; and due and sufficient notice of the Motion having been given under the circumstances; and all objections, if any, having been withdrawn or overruled; and the Court having determined that the relief sought in the Motion is in the best

¹ The last four digits of the Debtor’s federal tax identification number are 7402.

interests of the Debtor, its estate, and all parties-in-interest; and the Court having found that compliance with the terms and conditions described herein will properly establish a qualified settlement fund within the meaning of IRC § 468B; and upon the Motion and all of the proceedings had before the Court; and the Court determining that this Order constitutes a final and immediately appealable order within the meaning of 28 U.S.C. § 158(a); and, after due deliberation and sufficient cause appearing therefor; it is hereby

ORDERED that:

- (I) The Motion be, and hereby is, GRANTED. All capitalized terms used but not defined in this Order shall have the same meanings given to them in the Motion;
- (II) The Debtor is authorized to establish and utilize a segregated account that is a “qualified settlement fund” under and pursuant to IRC § 468B and Treasury Regulation § 1.468B-1, 2, 3 and 4 (such qualified settlement fund being referred to in this Order as the “**Fund**”);
- (III) The Fund shall be maintained in the segregated account at PNC Bank. The Debtor may deposit (or arrange for any other entity to deposit) into the Fund the proceeds of any insurance settlements approved by the Court. Any deposits in the Fund shall at all times be kept separate and apart from all other funds of the Debtor;
- (IV) Under no circumstances shall the amounts in the Fund be used for any purpose other than the resolution or satisfaction of Qualified Claims (or the administrative expenses of operating the Fund as set forth below), absent an explicit order of this Court. The Debtor shall have no independently exercisable right to a refund or

reversion of any portion of the Fund, and no such refund or reversion shall occur without further order of this Court;

- (V) Richard J. Szekelyi shall be and hereby is confirmed as the administrator (the “**Administrator**”) of the Fund. The Fund shall be a separate entity for tax purposes, and shall file all appropriate state, federal and local tax returns and make payment of taxes due as reflected thereon. The Administrator shall apply for and obtain a federal tax identification number which shall be separate from the Debtor’s federal tax identification number;
- (VI) The Administrator shall maintain the Fund’s financial records separate and apart from those of the Debtors. The Administrator shall file with the Office of the United States Trustee monthly reports setting forth the financial status of the Fund, including an itemization of the income and expenses of the Fund. Such monthly reports may be included in a separate section of the monthly operating report already filed by the Debtor in this chapter 11 case;
- (VII) Except for investing and reinvesting such funds, and paying therefrom the reasonable expenses of administering the Fund as required hereby, engaging an accountant, and paying any applicable taxes, no disbursements from the Fund shall be made without further order of this Court;
- (VIII) Except for gross negligence or willful misconduct, and to the extent not fully indemnified by existing indemnities, the Administrator shall be indemnified for any liability, claim, loss of damages, including attorney’s fees, incurred or asserted against him for actions or omissions related to administering the Fund, and the cost, if any, of such indemnification and of defending the Administrator

against any claims shall be deemed to be reasonable expenses of administering the Fund;

- (IX) The Administrator's services shall be provided pursuant to, and compensated in accordance with, this Court's *Order Authorizing and Approving the Employment and Retention of PMCM, LLC as Financial Advisors for Debtor and Debtor-in-Possession Pursuant to Section 327 of the Bankruptcy Code and Federal Rule of Bankruptcy Procedure 2014(a)* [Doc. No. 89];
- (X) This Order and each of its provisions shall be binding upon any successor Administrator(s) and upon any representative of the Debtor's estate who may hereafter be appointed;
- (XI) This Court shall, and does hereby, retain jurisdiction over the Fund until such time as all funds in the Fund have been disbursed in accordance with this Order; and
- (XII) Pursuant to Bankruptcy Rules 5003 and 9021 (and Fed. R. Civ. P. 58), the Clerk of this Court is directed forthwith to enter this Order in the records of this bankruptcy case as a final order and judgment.

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